Safeguards for Indo-lran pipeline

2344. SHRI PRAMOD MAHAJAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Indo-lran pipeline would route through the troubled regions of Baluchistan; and

(b) if, so what safeguards have been taken by Government to keep the pipeline intact?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (b) As regards the pipeline route of the Indo-lran pipeline project, conceptually three alternatives, namely, Northern, Central and Southern routes are being discussed. Each route configuration will be studied in detail with respect to its merits/ demerits during the preparation of the detailed project report. Thereafter, the route configuration would be finalised. The Iran-Pakistan-India pipeline would have to cross Baluchistan in any logical route option.

Adequate safeguards will be built in the project structure to ensure safety and security of supplies to India.

Oil prices in international market

2345. SHRIMATI JAYA BACHCHAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the current trends in oil prices in world market; and

(b) how they are likely to affect India?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL) : (a) The trend of prices in international market (past twelve months) and corresponding increase in retail selling prices of sensitive petroleum products are given in Annexed Statement. (See below)

(b) With import dependence of crude as high as 76%, the impact of volatile international prices are bound to affect the domestic retail selling prices of petroleum products. While passing on the entire impact of the steep increase in the oil prices to the consumers would result in steep increase in the domestic prices, prolonged non-revision of domestic price would adversely affect the financial position of the OMCs. As such Government have decided to share the burden equitably amongst all stakeholders, viz. Government, Oil Companies and consumers.

Statement

Trend in the international oil prices

	Crude oil (Indian Basket) $/bbl	Petrol $/bbl	Diesel $/bbl	Kerosene $/bbl	LPG $/MT
March 2002	23.31	2643	23.27	23.65	194 00
2002-03	26 66	30 15	2893	29 33	280 40
2003-04	27.96	3503	30 48	31.19	278 45
2004-05	39.22	49.01	4691	49 50	368 52
Past 12 months					
Feb'05	42 58	5370	50 09	52.24	369 20
Mar-OS	4927	58 72	59 83	63 74	380 00
Apr,05	49 43	60 23	61 36	69 00	416 80
May'05	47 02	5337	56 45	61 09	421 80
June'05	52 7 2	58.38	65 61	66 98	394 80
Juiy05	55 01	63.43	66 89	67 75	399 80
Aug,05	60 03	72 52	68 09	73 42	403 60
Sept'05	59 74	78.93	71 78	75 70	4382
Oct'05	56.28	67 91	67 97	71 33	517 0
Nov'05	53.31	59 48	57 69	60 91	547 0
Dec'05	5505	59 90	6023	66 S9	535 00
Jan06	60 61	65 42	64 95	72 85	581 00
Feb'06	58.95	64 20	63 33	72 36	625 00
Mar'06 (upto 4/3/06)	60 35	67 52	68.99	73 43	530 00
Average (Apr'05 to 4th Mar'06)	5571	64 23	64 45	69 32	484 25
Increase in international prices in April'05 to 4th Mar-05	139%	143%	176 9%	193 1%	149 *t*%
Increase in current retail price over Mar'02 *(Delhi retail prices considered)*	-	63 8%	83 54%	0.78%	22 58%

The current composition of Indian Basket of Crude represents Average of Oman & Dubai for sour grades and Brent (Dated) for sweet grade in the ration of 58 42